

PUBLIC EMPLOYEES RETIREMENT SYSTEM

State Investment Board Balance Sheet As of 8/31/2006

	As of <u>8-31-06</u>	As of <u>6-30-06</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 674,535,337	\$ 667,811,360
INTERNATIONAL EQUITIES	246,528,955	237,378,450
DOMESTIC FIXED INCOME	456,818,506	461,105,477
INTERNATIONAL FIXED INCOME	83,883,173	82,755,374
REAL ESTATE	102,542,243	98,291,291
VENTURE CAPITAL	70,844,919	67,743,197
INVESTED CASH (NOTE 1)	<u>24,272,198</u>	<u>17,116,918</u>
 TOTAL INVESTMENTS	 1,659,425,331	 1,632,202,067
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	3,475,277	4,246,933
OTHER ASSETS		
DUE FROM OTHER AGENCIES (NOTE 2)	<u>0</u>	<u>15,160</u>
 TOTAL ASSETS	 <u><u>\$ 1,662,900,608</u></u>	 <u><u>\$ 1,636,464,160</u></u>
LIABILITIES:		
ACCOUNTS PAYABLE	1,547,359	1,547,360
DUE TO OTHER AGENCIES (NOTE 3)	<u>8,140</u>	<u>0</u>
 TOTAL LIABILITIES	 1,555,499	 1,547,360
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	1,634,916,800	1,475,701,634
CASH IN DURING YEAR (NOTE 4)	0	0
CASH OUT DURING YEAR (NOTE 5)	3,760,000	17,250,000
NET INCREASE (DECREASE)	<u>30,188,309</u>	<u>176,465,166</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>1,661,345,109</u>	 <u>1,634,916,800</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u><u>\$ 1,662,900,608</u></u>	 <u><u>\$ 1,636,464,160</u></u>

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State Investment Board Profit and Loss Statement For the Month Ended 8/31/2006

	Month Ended <u>8-31-06</u>	<u>Year-to-Date</u>
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 3,831,491	\$ 7,054,103
SECURITIES LENDING INCOME	645,914	1,257,656
	<u>4,477,405</u>	<u>8,311,759</u>
 GAIN ON SALE OF INVESTMENTS	 10,122,876	 20,315,692
LOSS ON SALE OF INVESTMENTS	<u>5,619,918</u>	<u>14,664,910</u>
 NET GAINS (LOSSES) INVESTMENTS	 4,502,958	 5,650,782
 INVESTMENT EXPENSES	 1,132,669	 1,292,741
SECURITIES LENDING EXPENSES	629,792	1,211,121
SIB ADMINISTRATIVE EXPENSES	<u>12,136</u>	<u>23,300</u>
 NET INVESTMENT INCOME	 7,205,766	 11,435,379
 NET APPREC (DEPREC) MARKET VALUE	 21,176,091	 18,751,999
MISCELLANEOUS INCOME/(EXPENSE)	<u>(529,839)</u>	<u>931</u>
 TOTAL INVESTMENT INCOME	 <u>27,852,018</u>	 <u>30,188,309</u>
 NET INCREASE (DECREASE)	 <u>\$ 27,852,018</u>	 <u>\$ 30,188,309</u>

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Notes To Financial Statements
August 31, 2006

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Pension Cash Pool invested in the short-term investment fund (STIF/STEP) at The Northern Trust Company.

NOTE 2 **DUE FROM OTHER AGENCIES**

Amounts paid in anticipation of the allocation of administrative expenses of RIO.

NOTE 3 **DUE TO OTHER AGENCIES**

Amounts owed to RIO for administrative and direct costs charged.

NOTE 4 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust Company during the current fiscal year.

NOTE 5 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust Company during the current fiscal year.